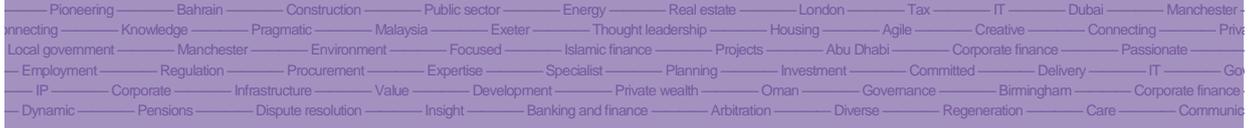




Probate costs



Our current cost estimates up to obtaining the grant of probate range from approximately £1,750 + VAT to £5,000 + VAT for an excepted estate. For a non-excepted estate the estimated range would be £4,000 plus VAT to £8,000 plus VAT.

For higher value estates, estates with more than one property, multiple asset types, international aspects, complex inheritance tax issues including agricultural and business property relief or if disputes are involved, we provide our estimates upon receipt of all the information.

We will let you know as soon as possible where instructions fall within the guide. We may be able to offer a no obligation free initial meeting at the outset.

Hourly rates for work undertaken in the Exeter office & team members

Name	Status	£ (per hour)
Helen Honeyball	Partner	£290 plus VAT
Amanda Rainford	Partner	£290 plus VAT
Frank Cook	Partner	£290 plus VAT
Scott Cann	Associate Solicitor	£230 plus VAT
Laura Mathews	Associate Solicitor	£230 plus VAT
Sophie Critchley	Associate Solicitor	£230 plus VAT
Justyna Peacock	Paralegal	£160 plus VAT
Kate Elston	Paralegal	£160 plus VAT
Charlotte Hutchings	Paralegal	£160 plus VAT

Anticipated disbursements

HMCTS	£155 and £1.50 for each additional copy
Statutory Adverts	£100-300 depending on where placed

Inheritance Tax (IHT) payments

The IHT return must be submitted within 12 months of the death. IHT is due on the personal property elements of the estate on application for probate. IHT on the real estate elements may be payable in ten annual instalments. The first instalment is usually payable with the IHT on the personal elements. Interest will run on unpaid inheritance tax starting on the 1st day of the month which falls six months after the end of the month of death.

Timings

As a guide we would suggest allowing 3-6 months to obtain the grant of probate with precise timings depending on the availability of the information from third parties.

Additional work outside scope

Throughout the process of obtaining the grant additional legal work may be identified which may include but not limited to the following:

- IHT mitigation advice
- Deeds of variation
- Advice on trusts contained within the will
- Negotiations with the District Valuer
- Dealing with HMRC enquiries
- Potential challenges by those not provided for
- Assets, debts and issues coming to light after instructions begin.

In this document

Please find in the following pages:

- Steps to the administration of an estate, and a
- Probate questionnaire

Published by
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Trowers & Hamlin LLP has taken all reasonable precautions to ensure that information contained in this document is accurate but stresses that the content is not intended to be legally comprehensive. Trowers & Hamlin LLP recommends that no action be taken on matters covered in this document without taking full legal advice.

This team is based in our Exeter office at The Senate, Southernhay Gardens, Exeter, EX1 1UG.

Steps for administration of an estate

The following is an outline of the usual steps to be taken to administer the estate of the deceased.

The grant of representation

When a person dies, his or her assets cannot be dealt with until his personal representative can prove that the deceased is the person entitled to deal with them. This is done in the case where someone leaves a Will by obtaining a court order proving the Will (**the Grant of Probate**), or if there is no Will, by the personal representative showing that he or she is one of the persons entitled to the estate under the rules of intestacy (a Grant of Letters of Administration).

If there is a Will, all appropriate enquiries should be made to ensure that the deceased made no subsequent Will, as it is the **last** Will that must be acted upon.

What information is needed to apply?

The application for the grant of representation must show the value of the deceased's estate at the date of death, and it is therefore necessary to value the estate at that date. This involves writing to the various asset holders to obtain up-to-date information, together with notes of accrued interest, dividends due, etc. Where there are other valuable items such as jewellery and art, it may also be necessary to obtain a professional valuation in this respect.

Once all valuations have been received, we can prepare the necessary papers to apply for the grant. All assets holders need to see this before being able to release or deal with accounts and holdings in the deceased's name.

What forms need to be completed?

There will be papers to be signed and sworn at this stage. The papers consist of an oath and an inheritance tax account. The oath states the value of the estate and the personal representative's entitlement to the grant, and must be sworn in front of an independent solicitor or commissioner of oaths, a service that we are happy to arrange.

If there is a Will, it must also be signed as an exhibit to the oath at this stage.

The inheritance tax account gives details of the assets at the date of death, and must be signed by the personal representative.

All the papers can be sent to you with full instructions if it is not convenient for you to call at our offices.

Timescales and payment of inheritance tax

Once the papers have been signed, if appropriate the inheritance tax account is sent to the Revenue. If inheritance tax (IHT) is payable, a proportion of it must be paid when applying for the grant, and we shall advise the client of the amount. In broad terms the cash or investment elements of the IHT is payable immediately but the IHT regarding land or property can usually be paid in instalments.

Once the Revenue have formally acknowledged receipt of the account or if no tax is payable, we will make the application to the Probate Court, and the grant of representation will be issued, usually within about two to three weeks.

What is the procedure once the grant is obtained?

Once the grant of representation is received, we will register it with the asset holders, and the monies from various accounts, insurances, etc. can be collected. Such monies will firstly be applied in discharging any liabilities at death or debts arising in connection with the administration, for example funeral expenses or household accounts.

We normally recommend that any balance of monies available after debts are paid is held on our client account. Access can then be had to these deposits to meet any further expenses arising during the period of administration, and which at the same time ensures that monies held continue to earn interest on behalf of the estate until the administration can be completed. Often, it is possible to make interim distributions to residuary beneficiaries at this time and we can assess what amounts might be appropriate, taking into account the likely costs and expenses of administering the remainder of estate, whilst retaining a fund for other issues which might arise.

At this stage the district valuer may raise enquiries or indeed HM Revenue & Customs may also review the inheritance tax account with a view to considering capital gains tax matters and we will deal with their questions.

Once all matters in connection with the administration have been dealt with, i.e. assets collected in, property (if any) sold or transferred, tax matters settled, etc., the estate can be wound up in readiness for distribution in accordance with the terms of the Will or laws of intestacy. Before disposing of any personal effects, care must be taken to ensure that they are not subject to any credit finance, rental or other type of loan agreement.

At this stage, final accounts will be prepared by us showing all matters that we have dealt with on the client's behalf, and detailing how the estate is to be distributed. After the accounts have been approved first by the personal representatives, the final distribution can be made, including the payment of any closing interest accrued.

We are also able to provide information about independent financial advisers to beneficiaries.

Safeguards

We take this opportunity to set out a number of safeguards which you should consider carefully for your own protection as personal representative, because in general, unless there is some contrary provision in the Will, the personal representative may be required to make good out of his own pocket any loss which arises as a result of unauthorised acts, even if carried out in good faith.

1. The insertion of advertisements in a local newspaper and in the London Gazette. This gives formal notice of the death to any creditors, who must then come forward within two months from the date of the advertisements. If no claims are made known to the personal representative within this time, the creditors are barred from claiming the debt from you (if you have distributed the estate before the claim is made), although they might be able to claim against the beneficiaries. If these advertisements are not made, you would almost certainly be personally liable for any debts, even after final distribution of the estate. The advertisement also prevents you from being liable to any beneficiary under the Will about whom you are unaware, i.e. an illegitimate child; again, that beneficiary may be able to claim against the other beneficiaries.
2. The Inheritance (Provision for Family and Dependents) Act 1975. Where any person (whether a member of the family or not) claims that he or she has in any way been financially dependent upon the deceased, and feels that the proposed distribution of the estate does not make proper provision for him or her, then a claim can be made against the estate under the Act. Such a claim can normally only be made within six months from the date of the grant of representation. During that period, however, you as personal representative would remain personally responsible for settling any such successful claim. Unless you feel that there is no possibility whatsoever of such a claim being made, we think that you should consider holding up distribution of at least part of the estate until the period has expired should the circumstances demand it.
3. Obtaining bankruptcy searches against all beneficiaries, to ensure that they are not bankrupt. The purpose of this is to ensure that you do not distribute assets to a bankrupt, as otherwise a claim would undoubtedly lie against you personally by the trustee in bankruptcy, to whom the asset should have been passed.
4. Obtain a local land charges search from the local authority. This is to ascertain whether there are any outstanding local charges against the property, e.g. improvement or other grants, repairs notices or financial charges. If such a search is not made to reveal such matters, the personal representative could be personally liable to discharge them. If the property is to be sold, the purchaser will make the search. Where the personal representative lives at the property, or has intimate knowledge of it, or has been bequeathed it, he or she may feel that such a search is not essential, but in all other cases we advise that the search be made.

We should mention that where any partners of this firm are personal representatives, we always insert statutory notices in the London Gazette and a local paper.

Please therefore consider these matters very carefully, and let us have your written instructions as to whether you require any of these precautions by completing the form attached and return it to us. These notes are for your information and retention.

In relation to:

I, as personal representative of the above-named deceased, instruct Trowers & Hamlins LLP as follows concerning the safeguards available in the administration of the estate:

(Please tick appropriate boxes and then sign below)

	Required	Not required
1. Insertion of adverts	<input type="checkbox"/>	<input type="checkbox"/>
2. Allow six months period from date of grant for claims under Inheritance Act	<input type="checkbox"/>	<input type="checkbox"/>
3. Obtain bankruptcy searches against all beneficiaries	<input type="checkbox"/>	<input type="checkbox"/>
4. Obtain a local search if the property concerned is not to be sold	<input type="checkbox"/>	<input type="checkbox"/>

Signed:

Dated:

Questionnaire

Basic information required to obtain Probate

1 Personal information of the deceased

Full names (and any aliases):

Date of birth:

Date of death:

Marital status:

Was the deceased survived by:

1 a spouse (if so please give spouse's date of birth)?

2 any brothers or sisters?

3 any parents?

How many children survived the deceased?

How many grandchildren survived the deceased?

Where was the deceased living at the date of death?

2 Assets in sole name

Did the deceased have any assets or sums due to them under the following headings? (If yes, please give details.)

	Address/Reference	Value at date of death
House or flat	<input type="text"/>	<input type="text"/>
Pensions	<input type="text"/>	<input type="text"/>
Stocks and shares (was there a broker?)	<input type="text"/>	<input type="text"/>
National Savings Investments	<input type="text"/>	<input type="text"/>
Premium Bonds	<input type="text"/>	<input type="text"/>

	Address/Reference	Value at date of death
Uncashed dividends		
Bank and building society accounts		
Cash		
Life assurance and annuities		
Household and personal goods		
Land and buildings		
Business interests		
Foreign assets		
Any debts or arrears of salary/pension, etc. due to the deceased at the date of death?		
Any other assets of financial value		

3 **Assets in joint name**

Did the deceased have any assets or sums due to them under the following headings in their joint names? (If yes, please give details.)

	Address/ Reference	Whole value	Deceased's share and value at date of death	Who is joint owner?
House or flat				
Pensions				
Stocks and shares (was there a broker?)				
National Savings Investments				
Premium Bonds				
Uncashed dividends				
Bank and building society accounts				
Cash				
Life assurance and annuities				

Household and personal goods				
Land and buildings				
Business interests				
Foreign assets				
Any debts or arrears of salary/pension etc due to the deceased at the date of death?				
Any other assets of financial value				

4 Liabilities

What was the amount of the funeral bill?

Please provide details of the mortgage (if any)

Where there any credit card debt? If so, please provide details of amounts and card numbers

What other sums were due from the deceased at the date of death (including arrears of rent, nursing home fees, etc.)?

5 Tax Information

What was the deceased's?

Domicile

Occupation

National Insurance Number

Income tax district

Income tax reference

Has the deceased made any recent tax return?

What income did the deceased receive during the year before their death?

Is income tax (or an income tax refund) likely to be due for the period from 6 April last until the date of death?

Are there any other likely outstanding tax liabilities?

6 Will

Was there a Will?

Where is it?

Is there any possibility that a later Will was made?

7 Gifts/Trust Interests, etc.

Did the deceased make any lifetime gifts which would have totalled more than £3,000 in any one year during the last seven years?	
Did the deceased have any interest in any trust at any time during the seven years before they died?	
Had the deceased inherited any property from someone else during that period?	
Did the deceased at any time give written instructions (usually called a "nomination") that any asset was to pass to a particular person on her death?	

8 Miscellaneous

Was the deceased receiving any means tested benefits in the period before their death?	
Are statutory notices (which give some protection against the risk of future claims from as yet unknown creditors) required?	
Please confirm the correct names and current addresses of all executors and those likely to benefit under the Will	

9 **Other information**

A large, empty rectangular box with a thin black border, occupying most of the page below the section header. It is intended for the user to provide additional information related to the 'Other information' section.